Effect of agreement under TRIP on drugs prices

5836. SHRI KRISHNA KUMAR BIRLA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what is the estimated percentage of rise/likely rise, in prices of drugs, both patented and non-patented the percentage of increase in the imports and what is its likely overall impact on the indigenous pharmaceutical industry's production, following the agreement under Trade-Related Intellectual Property Right (TRIPS); and

(b) what measures have been taken/proposed to be taken by Government to safeguard the interests of the Indian Pharmaceutical industry stating whether any new drug policy is proposed to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) There will be no impact of the TRIPS Agreement on the prices of the existing drugs in the market, whether patented or non-patented. The impact of the TRIPS Agreement on the drugs which will be patented after the coming in force of the TRIPS Agreement will depend on a number of factors including the nature of the availability of the therapeutic equivalent substitute non-patented drugs in the market, licensing and marketing strategies adopted by the patent holders including the option of local manufacturing.

(b) The progress of the review of the Drug Policy, 1986 is at an advanced stage. After finalising the modifications needed in the existing provisions relating to various aspects of the Pharmaceutical Industry on announcement of the modified Drug Policy would be made.

Collaboration of Jet Airways with Gulf Air

5837. SHRI RAMACHANDRAN PILLAI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in 'The Times of India', Delhi of 9th March, 1993, under the caption "Jet Set but no Go";

(b) if so, the circumstances under which no objection certificate was given to Jet Airways to have collaboration with Gulf Air for operations in domestic sector;

(c) how Government are to deal with the pressures/requests for blanket permission to Private Operators for equity participation with International Airlines; and

(d) what are the financial and other ramifications of such permission on National Carriers?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) and (c) Foreign equity participation under the Air Taxi Scheme is permitted upto a ceiling of 40 per cent. This would enable the air taxi operators to have a larger capital base. The permission is to be granted on a case to case basis on merits. So far, only in the case of Jet air this permission has been given.

(d) Indian Airlines has lost 25% market share due to Air Taxi Operation as a whole. It is not possible to estimate the specific impact on operations and revenues of Indian Airlines and Air India due to foreign equity participation at this stage.

Facilities to cultural organisation of Shiv Sena in Bombay by AI

5838. SHRI RAMACHANDRAN PILLAI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government are aware that Air India has extended facilities

to Sthaniya Lok Adhikar Samiti, a cultural organisation of Shiv Sena in Bombay, with office and telephone at airport premises within restricted entry zone;

(b) whether Government approve of such a policy of encouraging such activities by Air India; and

(c) whether all other political parties would be extended this facility for its youth/cultural organisation to start their activties on the premises of Air India?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Air India has provided 120 sq. ft. area in a shed at the old airport at Santacruz, and an EPBX Telephone connection to the Air India Sthaniya Lok Adikar Samiti (whose members are bonafied employees of Air India) for carrying out cultural activities. The Samiti is affiliated to Shiv Sena.

(b) and (c) Air India provides facilities to organisations of its bonafide employees for cultural activities; outsiders are not allowed to start any activity in the airport premises.

Revenue of Air India

5839. SHRI RAMACHANDRAN PILLAI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) what is the Revenue earned by Air India during the last three years in Indian Rupees and Foreign Exchange;

(b) what are the details of revenue in foreign exchange, currencywise and its equivalent in Indian Rupees;

(c) what has been the exchange impact on Air India's revenue on conversion of foreign exchange earned into Indian Rupees during the same period; and

(d) whether the impact is positive or negative for Air India?

THE MINISTER OF CIVIL AVIATICN AND TOURSIM (SHRI GHULAM NABI AZAD): (a) Necessary detals are given in the Statement (*See* below).

(b) Currencywise revenue earnings in foreign exchange is not compiled by Air India. However, revenue earnings based on the area of sales is computed by converting foreign exchange into Indian rupees at the prevailing exchange rate for each quarter.

(c) and (d) The general impact on Air India's revenue due to conversion of foreign exchange into Indian rupee has been positive.

Statement

	1990-91 (Rs. in crores)	1991-92 (Rs. in crores)	1992-93 (Rs. in crores)
Revenue earnings in Indian rupees . . .	385.38	525.00	694.50
Revenue earnings in foreign exchange . . .	1083.18	1189.21	1424.37
TOTAL . . .	1468.56	1714.21	2118.87